



Indiana Department of Environmental Management

We Protect Hoosiers and Our Environment.

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Voluntary Remediation Program Rate Increase

Effective November 8, 2015

The statute (Indiana Code [“IC”] 13-25-5-4) that established the Voluntary Remediation Program (VRP) requires that program applicants enter into a Voluntary Remediation Agreement (VRA) with IDEM that sets forth the terms and conditions of participation in the VRP. One of the key provisions of the VRA is the section regarding agency recovery of costs attributable to the VRA and to agency oversight of the remediation project. IC 13-25-5-8(a)(1)(B) specifically requires that the VRA include provisions to recover all reasonable costs incurred by the department in the review and oversight of the work plan that are attributable to the voluntary remediation agreement. These costs include reviewing technical and legal documents, investigation and remediation reports, conducting field oversight, attending meetings, and other administrative tasks associated with implementing the VRA.

Additionally, by law the recovery of costs associated with the VRP must be managed and maintained such that the program remains financially self-sufficient. The program does not receive any funding from the state general fund or the Federal government, and all expenses associated with providing oversight for sites enrolled in the program are funded purely through cost recovery activities associated with those sites. If cost recovery for all sites in the program is not managed such that the program is able to remain financially self-sufficient the program will cease to exist and in turn will cease to be able to provide liability protection and project oversight and closure to sites enrolled in the program. To that end, IDEM has the authority by law to increase the hourly rate for cost recovery of administrative costs in accordance with the Consumer Price Index (CPI) in order to provide for the long term maintenance of the program.

Since the inception of the VRP in 1993 this cost recovery has been achieved via several different billing rates as market costs have naturally increased over time. The current cost recovery rate of \$69.11 per hour was established in 2007. To accomplish the goals set out above, and in order to maintain the program and the ability to continue project oversight and liability protection for sites enrolled in the program, IDEM needs to increase the current hourly rate to \$75.00 per hour for all cost recovery sites, beginning on November 8, 2015.

IDEM sincerely appreciates your understanding in this matter, and your continued participation in the VRP. If you have any questions or concerns, or if you require additional information, please feel free to contact the VRP Section at 317-234-4165 or (800) 451-6027.